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B1, 1.4(B), 1.4(D)

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211988
SOURCE: KODAKA.025196
DRAFTED BY: WHA/CAN:WMCCULLA/ERUNNING/PNORMAN:MY -- 10/25/02 73135
APPROVED BY: WHA/CAN:NMASON
WHA/CAN ONLY

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FM SECSTATE WASHDC
TO ALL CANADIAN POSTS COLLECTIVE

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OFFICIAL INFORMAL

E.O. 12958: DECL: 10/25/07
TAGS: AMGT, CA
SUBJECT: OFFICIAL INFORMAL - DAILY ACTIVITIES REPORT
OCTOBER 17-24, 2002

FOR AMB, DCM AND CG'S FROM DIRECTOR MASON

CLASSIFIED BY WHA/CAN DIRECTOR NANCY MASON.
REASON 1.5. (D).

1. (U) DAILY ACTIVITY REPORT, OCTOBER 17

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2. (S) CONTROVERSY GROWS OVER CANADIAN DEPORTED TO SYRIA

- (S) THE CANADIAN PRESS REPORTS MAHER ARAR, A 32 YEAR OLD CANADIAN-SYRIAN DUAL CITIZEN, WAS DETAINED BY INS AT JFK AIRPORT SEPTEMBER 26 WHILE RETURNING TO MONTREAL WITH HIS FAMILY FROM TUNIS. [redacted] B1

[redacted]

UNITED STATES DEPARTMENT OF STATE
CLASSIFIED BY DEPT. OF STATE, L. HEDGBETH, DAS, A/ISS
REVIEW AUTHORITY: ARCHIE M BOLSTER
CLASSIFICATION: CONFIDENTIAL REASON: 1.4(B), 1.4(D)
DECLASSIFY AFTER: 25 OCT 2022
DATE/CASE ID: 02 JUL 2009 200706444

3. (C) USG POSTPONES CANADA WHEAT ANNOUNCEMENT

- THE WHITE HOUSE HAS ASKED USTR TO HOLD OFF MAKING ANY ANNOUNCEMENT ABOUT CONSULTATIONS ON CANADIAN WHEAT UNTIL EARLY NEXT MONTH.

- USTR HAD PLANNED TO ANNOUNCE OCTOBER 10 THAT THE USG WOULD SEEK CONSULTATIONS WITH THE CANADIANS OVER CANADIAN WHEAT BOARD PRACTICES, THE FIRST STEP IN FILING A COMPLAINT WITH THE WTO. (NORMAN)

4. (SBU) DAILY ACTIVITY REPORT, OCTOBER 18

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5. (SBU) CANADIANS MIGHT REBROADCAST U.S. TV PROGRAMS OVER INTERNET

- EMBASSY OTTAWA REPORTS THAT BILL C-11 (FORMERLY KNOWN AS BILL-48) HAS BEEN REINTRODUCED INTO THE NEW CANADIAN PARLIAMENT WITH THE INTERNET CARVE-OUT INTACT. PARLIAMENT STILL INTENDS TO PASS THE BILL AS QUICKLY AS POSSIBLE, BUT OPPOSITION HAS STRENGTHENED.

- BILL C-11 WOULD AMEND CANADA'S COPYRIGHT ACT TO ALLOW RETRANSMISSION OF TV BROADCAST PROGRAMS SUCH AS SPORTS AND MOVIES. AS ORIGINALLY WRITTEN, IT WOULD HAVE ALLOWED THESE REBROADCASTS OVER THE INTERNET AS WELL. THE U.S. NATIONAL ASSOCIATION OF BROADCASTERS AND THE U.S. COPYRIGHT COLLECTIVE (WHICH INCLUDES THE NFL, NHL, AND NBA) STRONGLY LOBBIED FOR THE INTERNET CARVE-OUT BELIEVING THAT ONCE THEIR PROGRAMS WERE REBROADCAST OVER THE INTERNET IN CANADA, IT WOULD BE IMPOSSIBLE TO MARKET THEM ELSEWHERE.

- THE LOBBYING GROUP, LEAD BY STU EISENSTAT, NOW WITH COVINGTON & BURLINGTON, IS ALSO MONITORING THE SITUATION. (NORMAN)

6. (U) DAILY ACTIVITY REPORT, OCTOBER 22

7. (U) PM SHOVES MACAULAY OVERBOARD

- SOLICITOR-GENERAL LAWRENCE MACAULAY RESIGNED TODAY IN THE FACE OF ALLEGATIONS HE STEERED GOVERNMENT CONTRACTS TO FRIENDS AND ASSOCIATES. THE NEW SOLICITOR-GENERAL IS WAYNE EASTER, A THREE-TERM BACKBENCHER FROM PRINCE EDWARD ISLAND, WITH NO PREVIOUS CABINET EXPERIENCE, WHOSE MAIN AREA OF INTEREST IS AGRICULTURE.

- PRESS REPORTS SUGGEST PM CHRETIEN GAVE MACAULAY THE CHOICE OF RESIGNING OR BEING FIRED. THE CHARGES AGAINST MACAULAY ARE THE LATEST IN A STRING OF CORRUPTION ALLEGATIONS AGAINST MEMBERS OF THE CHRETIEN GOVERNMENT.

- MACAULAY HAD WORKED VERY CLOSELY WITH AG ASHCROFT ON SECURITY ISSUES AND WAS SCHEDULED TO VISIT WASHINGTON IN EARLY NOVEMBER. (MCCULLA)

8. (U) CHRETIEN UNLEASHES THE CABINET

- PM CHRETIEN TODAY GAVE PERMISSION FOR CABINET MEMBERS TO CAMPAIGN OPENLY FOR THE PARTY LEADERSHIP AND RESUME FUND RAISING FOR THEIR CAMPAIGNS.

- THE PM'S STATEMENT LIFTS A BAN HE IMPOSED LAST MAY, WHICH SERIOUSLY DISADVANTAGED MEMBERS OF THE CABINET WHO ALREADY FACE AN UPHILL BATTLE AGAINST FORMER FINANCE MINISTER PAUL MARTIN IN THE NOVEMBER 2003 LEADERSHIP VOTE.

- LIKELY LEADERSHIP CONTENDERS IN THE CABINET INCLUDE FINANCE MINISTER JOHN MANLEY, INDUSTRY MINISTER ALAN ROCK, AND HERITAGE MINISTER SHEILA COPPS. (MCCULLA)

9. (U) U.S. COMPANY WINS MILLIONS FROM CANADA IN NAFTA SUIT

- IN 1995, CANADIAN ENVIRONMENT MINISTER SHEILA COPPS IMPOSED A BAN ON SHIPMENTS OF POLYCHLORINATED BIPHENYL WASTE (PCB) FROM CANADA TO THE UNITED STATES. THE U.S. OHIO-BASED FIRM S.D. MYERS FILED SUIT UNDER NAFTA CLAIMING THAT IT HAD NEGOTIATED CONTRACTS IN EXCESS OF $40 MILLION TO TREAT WASTE FROM HUNDREDS OF CANADIAN UTILITIES, UNIVERSITIES AND OTHER HOLDERS OF PCB-TAINTED MATERIAL.

- TODAY, SEVEN YEARS LATER, A NAFTA ARBITRATION TRIBUNAL

ORDERED THE GOVERNMENT OF CANADA TO PAY MORE THAN $6 MILLION TO MYERS, CLAIMING THAT THE GOC VIOLATED TWO NAFTA OBLIGATIONS WHEN IT CLOSED THE BORDER.

- SHEILA COPPS IS NOW HERITAGE MINISTER. (NORMAN/PRESS)

10. (U) MANITOBA FILES SUIT TO BLOCK NORTH DAKOTA WATER PROJECT

- MANITOBA'S PROVINCIAL GOVERNMENT ANNOUNCED THIS AFTERNOON THAT IT WAS FILING SUIT AGAINST THE U.S. DEPARTMENT OF INTERIOR AND THE BUREAU OF RECLAMATION TO BLOCK CONSTRUCTION OF THE NORTHWEST AREA WATER SUPPLY (NAWS) PROJECT.

- CONSTRUCTION HAS BEEN UNDERWAY SINCE SPRING ON THE PROJECT TO PIPE PRE-TREATED WATER FROM THE MISSOURI RIVER

BASIN TO THE CITY OF MINOT, ND.

- MANITOBA CLAIMS THE PROJECT POSES AN UNACCEPTABLE RISK OF TRANSFERRING HARMFUL ORGANISMS INTO THE SOURIS RIVER BASIN AND THUS INTO LAKE WINNIPEG AND HUDSON BAY. INTERIOR, BACKED BY STATE AND EPA, HAS DETERMINED THE RISK IS INFINITESIMAL.

- WORD OF MANITOBA'S ACTION SPREAD QUICKLY, PROMPTING CALLS TO CAN FROM THE NORTH DAKOTA GOVERNOR'S OFFICE AND THE STAFFS OF SENATORS DORGAN AND CONRAD AND CONGRESSMAN POMEROY. (RUNNING)

11. (U) DAILY ACTIVITY REPORT, OCTOBER 23

12. (U) CANADA'S SHARE OF U.S. IMPORT MARKET IS ERODING

- CANADA'S ECONOMIC HEALTH DEPENDS ON ITS ABILITY TO EXPORT GOODS TO THE U.S. - AMERICANS PURCHASE 86 PERCENT OF ALL CANADA'S EXPORTS.

- ALTHOUGH CANADA CONTINUES TO ENJOY THE LARGEST SHARE OF THE U.S. IMPORT MARKET OF ANY COUNTRY OR REGION, A HEALTHY 18.5 PERCENT, IT HAS FALLEN ONE PERCENTAGE POINT SINCE 1999.

- CANADIANS ARE WORRIED BECAUSE DURING THAT SAME PERIOD, CHINESE MARKET SHARE HAS RISEN FROM ABOUT 6 PERCENT TO 8 PERCENT AND MEXICAN MARKET SHARE HAS RISEN FROM ABOUT 7

PERCENT TO 9 PERCENT.

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- THE RECENT CANADIAN MARKET SHARE LOSSES HAVE BEEN IN THE AUTO, LUMBER, NATURAL GAS, AND IT FIELDS. (NORMAN/J.P. MORGAN SECURITIES CANADA)

13. (SBU) DAILY ACTIVITY REPORT, OCTOBER 24

14. (SBU) INFORMING CANADA OF U.S. OPPOSITION TO ITS CLEAN ENERGY PROPOSAL

- THE WHITE HOUSE TODAY APPROVED A SUB-PCC RECOMMENDATION THAT WE OPPOSE CANADA'S PROPOSAL THAT IT BE GRANTED GREENHOUSE GAS EMISSIONS' CREDITS FOR ITS EXPORTS OF "CLEAN" NATURAL GAS AND HYDROELECTRIC POWER TO THE U.S.

- THE CANADIAN PROPOSAL COULD SUBSTANTIALLY HARM U.S. INTERESTS UNDER THE FRAMEWORK CONVENTION ON CLIMATE

CHANGE, TO WHICH WE REMAIN A SIGNATORY, DESPITE OUR WITHDRAWAL FROM THE SUBSEQUENT KYOTO PROTOCOL.

- AMBASSADOR CELLUCCI WAS TO INFORM ENVIRONMENT MINISTER ANDERSON OF OUR OPPOSITION THIS AFTERNOON SO THAT THE CANADIANS WILL NOT BE BLIND SIDED WHEN THE SUBJECT COMES UP AT THE COP-8 CLIMATE CHANGE FRAMEWORK MEETING IN NEW DELHI TOMORROW.

- CANADA'S PROPOSAL FOR A 70 MILLION METRIC-TON CREDIT AGAINST ITS GREENHOUSE GAS EMISSIONS QUOTA FACES STRONG OPPOSITION FROM THE EU AND G-77 COUNTRIES.

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- THE U.S. DELEGATION PLANS TO ALLOW OTHERS TO TAKE THE LEAD IN OPPOSING THE CANADIAN PROPOSAL BUT WILL MAKE OUR VIEWS KNOWN IF IT APPEARS TO BE GAINING SUPPORT.

- THE U.S. ALSO OPPOSES A CANADIAN FALL-BACK PROPOSAL FOR A TWO-YEAR STUDY OF THE CLEAN ENERGY EXPORT ISSUE.
(RUNNING)
POWELL

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